

DATE IN 9/25/07	SUSPENSE	ENGINEER D. BROOKS	LOGGED IN 9/25/07	TYPE NSL	APP NO. TDS0726857957
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Samson
Lea Feed Unit #21
5705

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

2007 SEP 25 PM 3:10

RECEIVED

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504

James Bruce
Signature

Attorney for Applicant
Title Date

jamesbruc@aol.com
e-mail Address

9/25/07

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruce@aol.com

September 25, 2007

Hand delivered

Mark E. Fesmire
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Fesmire:

Pursuant to Division Rule 104.F(2), Samson Resources Company applies for approval of an unorthodox oil well location in the Bone Spring formation for the following well:

<u>Well:</u>	Lea Federal Unit Well No. 21
<u>Location:</u>	<u>Surface:</u> 810 feet FNL & 810 feet FWL
	<u>Top of Bone Spring:</u> 874 feet FNL & 785 feet FWL
<u>Well Units:</u>	W½NW¼ of Section 12, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico

The well has been drilled to a depth sufficient to test the Bone Spring formation (Lea-Bone Spring Pool). Under Division Order No. R-1827, the pool is spaced on 80 acres, with wells to be within 150 feet of the center of a quarter-quarter section. A Form C-102 for the well is attached as Exhibit A.

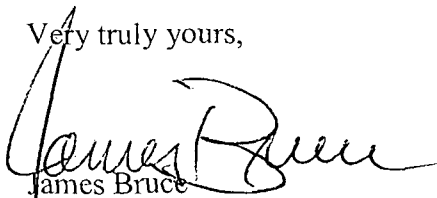
The well was originally permitted as a Pennsylvanian test (Lea-Pennsylvanian Gas Pool, spaced on 160 acres with wells to be no closer than 660 feet to a quarter section line). The well was changed to a Bone Spring test. See Exhibit B. However, the well's location was not changed to make it orthodox in the Lea-Bone Spring Pool. The final location at the top of the Bone Spring formation was due to a deviation in the drilling the hole.

The well location does not encroach on offset acreage to the north or west (a standard location could be within 510 feet of that acreage). As to other offsets, the NW¼ of Section 12 is covered by Federal Lease NM 02127(b), which has common interest ownership in the Bone Spring

formation. A serial register page from the records of the Bureau of Land Management is attached as Exhibit C. Thus, the well does not adversely affect any interest owners to the south or east. As a result, there is no adversely affected interest owner, and notice of this application has not been given to anyone.

Please contact me if you need any further information on this application.

Very truly yours,


James Bruce

Attorney for Samson Resources Company

DISTRICT I
1620 N. FRANCH DR., BOBBY, NM 86240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brasos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-37525	Pool Code 80040	Pool Name Lea; Penn (Gas)
Property Code 34342	Property Name LEA FEDERAL UNIT	Well Number 21
OGRID No. 20165	Operator Name SAMSON RESOURCES	Elevation 3671'

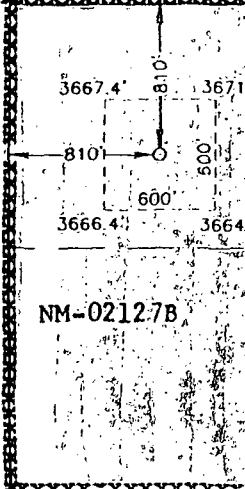
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	20-S	34-E		810	NORTH	810	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>GEODETIC COORDINATES NAD 27 NME Y=580229.4 N X=750741.3 E LAT.=32°35'33.07" N LONG.=103°31'09.15" W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>George R. Smith</i> Signature George R. Smith Printed Name Agent Title 9/27/05 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 14, 2005</p> <p>Date Surveyed Signature & Seal of Professional Surveyor <i>GARY EIDSON</i> 9/24/05 05.14.1406 Certificate No. GARY EIDSON 12841</p>
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EXHIBIT

A

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Samson Resources Company

3a. Address

200 N. Loraine, Suite 1010, Midland, TX 79701

3b. Phone No. (include area code)

(432) 683-7063

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

810' FNL & 810' FWL of Section 12-T20S-R34E

5. Lease Serial No.

NM-02127-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Lea Federal Unit #21

9. API Well No.

30-025-37525

10. Field and Pool, or Exploratory Area

Lea; Bone Spring

11. County or Parish, State

Lea NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Amend permit to provide for a Bone Spring test at a depth of 11,125'. To be placed in the Lea (Bone Spring) pool, if successful.

EXHIBIT

B

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Duke Roush

Title

Landman

Date 12/6/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

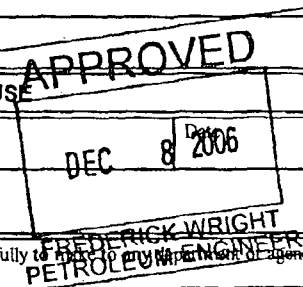
Chris Williams

Title

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 09/25/07 02:04 PM

Page 1 of 2

01 02-25-1920;041STAT0437;30USC226
Case Type 311111: O&G LSE NONCOMP PUB LAND
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
480.000

Serial Number
NMNM-- 0 002127B

Serial Number: NMNM-- 0 002127B

Name & Address

Int Rel % Interest

DEVON ENERGY PROD CO LP	20 N BROADWAY #1500	OKLAHOMA CITY OK 73102	LESSEE	50.000000000
LEGACY RESOURCES OPER LP	303 W WALL ST #1600	MIDLAND TX 79701	LESSEE	50.000000000

Serial Number: NMNM-- 0 002127B

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0200S	0340E	012	ALIQ		N2,SW;	CARLSBAD FO	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 002127B

Act Date	Code	Action	Action Remarks	Pending Office
02/28/1952	387	CASE ESTABLISHED		
03/01/1952	237	LEASE ISSUED		
03/01/1952	496	FUND CODE	05;145003	
03/01/1952	530	RLTY RATE - 12 1/2%		
03/01/1952	868	EFFECTIVE DATE		
06/01/1956	553	CASE CREATED BY ASGN	OUT OF NMNM02127;	
06/01/1956	898	ASGN EFFECTIVE		
12/09/1959	232	LEASE COMMITTED TO UNIT	NMNM70976X;LEA	
12/09/1959	501	REFERENCE NUMBER	UA-14080016455;	
07/08/1960	650	HELD BY PROD - ACTUAL		
07/08/1960	658	MEMO OF 1ST PROD-ACTUAL		
10/21/1960	102	NOTICE SENT-PROD STATUS		
03/10/1987	140	ASGN FILED	ATLANTIC/HONDO OIL	
06/01/1987	139	ASGN APPROVED	EFF 04/01/87;	
06/10/1987	974	AUTOMATED RECORD VERIF	LQG/RL	
08/09/1991	817	MERGER RECOGNIZED	TXO PROD/MARATHON	
06/08/1992	974	AUTOMATED RECORD VERIF	AMR/KRP	
08/14/1992	140	ASGN FILED	HONDO O&G/DEVON ENE	
08/28/1992	909	BOND ACCEPTED	EFF 08/28/92;WY2606	
10/01/1992	621	RLTY RED-STRIPPER WELL	11.7%;/1//891006455A	
10/05/1992	575	APD FILED	MARATHON OIL	CE
11/10/1992	576	APD APPROVED	LEA UNIT #15;	BM
12/09/1992	139	ASGN APPROVED	EFF 09/01/92;	
12/09/1992	974	AUTOMATED RECORD VERIF	ST/JS	
01/04/1993	899	TRF OF ORR FILED		
03/08/1993	625	RLTY REDUCTION APPV	/1/	
03/11/1993	963	CASE MICROFILMED	CNUM 101,681	MF
03/23/1993	575	APD FILED	MARATHON OIL	
06/15/1993	576	APD APPROVED	LEA UNIT #16	
06/30/1993	140	ASGN FILED	DEVON ENE/DEVON CORP	
09/17/1993	139	ASGN APPROVED	EFF 07/01/93;	
09/17/1993	974	AUTOMATED RECORD VERIF	SSP/KRP	
10/20/1993	974	AUTOMATED RECORD VERIF	JLV	

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

EXHIBIT 

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page

RunDate/Time: 09/25/07 02:04 PM

Page 2 of 2

01 02-25-1920;041STAT0437;30USC226

Case Type 311111: O&G LSE NONCOMP PUB LAND

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres
480.000

Serial Number
NMNM-- 0 002127B

02/01/1999	621	RLTY RED-STRIPPER WELL	6.9%;
01/11/2000	140	ASGN FILED	MARATHON/MORIAH
04/06/2000	139	ASGN APPROVED	EFF 02/01/00;
04/06/2000	974	AUTOMATED RECORD VERIF	JLV
04/20/2000	625	RLTY REDUCTION APPV	
11/22/2000	817	MERGER RECOGNIZED	DEVONENE/DEVONENEPD
11/22/2000	974	AUTOMATED RECORD VERIF	AT
04/01/2001	621	RLTY RED-STRIPPER WELL	8.5%;
07/06/2001	625	RLTY REDUCTION APPV	
06/01/2002	621	RLTY RED-STRIPPER WELL	6.9%;/4/891006455A
08/01/2003	621	RLTY RED-STRIPPER WELL	6.9%;/5/891006455A
07/08/2004	625	RLTY REDUCTION APPV	/4/
07/08/2004	625	RLTY REDUCTION APPV	/5/
04/06/2005	626	RLTY REDUCTION DENIED	
05/09/2006	140	ASGN FILED	BROTHERS/LEGACY RES;1
05/09/2006	140	ASGN FILED	MORIAH RE/LEGACY RE;1
09/07/2006	139	ASGN APPROVED	01EFF 06/01/06;
09/07/2006	139	ASGN APPROVED	02EFF 06/01/06;
09/07/2006	974	AUTOMATED RECORD VERIF	TF/TF

Line Nr Remarks Serial Number: NMNM-- 0 002127B

0002	09/07/2006 - BONDED LESSEE
0003	LEGACY RESERVES OPERATING LP - NMB000394 SW/NM